

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

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DP/PROJECTS/2623
(UGA/77/006)
21 December 1979

ENGLISH ONLY

APPROVAL OF LARGE-SCALE UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF UGANDA

Project title and number:	<u>Mineral Reconnaissance in the Nile Province (UGA/77/006)</u>
Executing Agency:	United Nations
Government co-operating agency:	Ministry of Land and Water Resources
Date of approval:	November 1978
Starting date for project operations:	January 1979
Duration:	Three years
Estimated value of the Government input expressed in US dollars:	\$237 300 (In kind)
Estimated UNDP contribution:	\$923 400
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. Mining constitutes an important element in the development strategy of the Uganda Government, in view of its potential for generating employment and organized settlement with supporting infrastructure, providing foreign exchange earnings and broadening the industrial base in a country, where industry accounts for a very small share in the gross domestic product.

2. The Government's efforts in this sector have, in the past, concentrated on pure geology and map production, to the comparative neglect of economic exploitation. In order to redress the balance, UNDP assistance to the Geological Survey and Mines Department was obtained in April 1977 (UGA/75/022) ^{1/} to strengthen the country's capability for the general evaluation of the potential for the most important metallic and industrial minerals, and in particular, preliminary evaluation of certain known iron-ore deposits. This initial assistance is now judged to have prepared the way for further advances in the mining sector in other parts of the country.

1/ DP/PROJECTS/2199.

II. The project

3. The development objective of the project is to promote the economic development of the somewhat retarded Nile Province through the exploitation of mineral resources.
4. The immediate objectives are to: (a) carry out systematic regional geochemical exploration of the Nile Province with a view to outlining the zones with favourable conditions for mineral exploitation; (b) follow-up promising mineral findings by detailed geochemical or ground geophysical techniques; and (c) identify specific drilling targets or limited areas for more intensive exploration.
5. UNDP will provide for five experts in the fields of economic geology, geochemistry (2), exploration geology (2); consultants, training, equipment and miscellaneous expenses. The Government will provide the necessary counterpart staff, supplies, premises, equipment and miscellaneous expenses.
6. The expenditure components of the UNDP contribution are as follows:

	<u>m/m</u>	<u>\$</u>
Experts including administrative support	129	766 520
Training	24	38 400
Equipment		106 000
Miscellaneous		12 480
		923 400

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